

Florence - Recross/Finch

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1 historical settlement averages to project its liability going  
2 forward, correct?

3 A Correct.

4 Q And the reason you did that, even though it was no longer  
5 in the CCR, the reason you didn't make any adjustments to your  
6 estimates, either to the number of future claims or the values  
7 of those claims to take into account the fact that Armstrong  
8 wouldn't be in the CCR is because you assumed that Armstrong  
9 had managed those cases well historically and they would  
10 continue to manage them with equal competence and do it equally  
11 well going forward, right?

12 A I think so. Yeah.

13 Q Here isn't it the case you're assuming that Grace would do  
14 radically better than what its history would suggest?

15 A I'm making no assumption about how Grace will do in the  
16 future. I'm calculating the number of claims that will meet  
17 certain criteria and the number of claims that won't meet those  
18 criteria, both now and going forward.

19 MR. FINCH: Thank you, Your Honor. Nothing more.

20 THE COURT: Mr. Mullady?

21 MR. MULLADY: Nothing more from me, Your Honor, other  
22 than to offer a document into evidence that I did not offer at  
23 the end of my examination. It's ACC-FCR-3024.

24 MR. BERNICK: What is that?

25 MR. MULLADY: This is the extraction from the

1 reliance material showing --

2 MR. BERNICK: It's the nominal value as opposed to  
3 the NPV's?

4 MR. MULLADY: Correct.

5 MR. BERNICK: Yeah. I have no objection to that.

6 THE COURT: It's admitted -- oh, I'm sorry. I take  
7 it you don't have it. It's admitted.

8 MR. BERNICK: We have no further questions either,  
9 Your Honor.

10 THE COURT: All right. You're excused Dr. Florence.

11 THE WITNESS: Thank you, Judge.

12 THE COURT: Thank you.

13 All right. We're in adjournment until nine o'clock  
14 tomorrow morning.

15 COUNSEL: Thank you, Your Honor.

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C E R T I F I C A T I O N

We, KIMBERLY UPSHUR, TAMMY DeRISI, LYNN SCHMITZ, CEIL ASHBOCK, CARLA OAKLEY and PATRICIA A. KONTURA, court approved transcribers, certify that the foregoing is a correct transcript from the official electronic sound recording of the proceedings in the above-entitled matter, and to the best of our ability.

/s/ Kimberly Upshur

KIMBERLY UPSHUR

/s/ Tammy DeRisi

TAMMY DeRISI

/s/ Lynn Schmitz

LYNN SCHMITZ

/s/ Ceil Ashbock

CEIL ASHBOCK

/s/ Carla Oakley

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/s/ Patricia A. Kontura

PATRICIA A. KONTURA

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